

Promoting Energy Access through Clean Energy (PEACE)

an initiative of the U.S.-India Partnership to Advance Clean Energy

During Prime Minister Singh's September 2013 visit to the United States, Minister of New and Renewable Energy Dr. Farooq Abdullah and Secretary of Energy Dr. Ernest Moniz agreed to a Memorandum of Understanding (MOU) between the Governments of the Republic of India and the United States of America to launch a new initiative -- **Promoting Energy Access through Clean Energy (PEACE)** -- as a new track under the U.S.-India Partnership to Advance Clean Energy (PACE), alongside the existing research (PACE-R) and deployment (PACE-D) tracks. At the March 11, 2014, U.S.-India Energy Dialogue in New Delhi, Secretary Moniz and Planning Commission Deputy Chairman Montek Ahluwalia welcomed the progress made thus far in advancing this initiative.

OBJECTIVES

PEACE aims to harness commercial enterprise to bring clean energy access to un-served and underserved Indian villages, capture lessons learned, and develop best practices. Reliable and cost-effective off-grid clean energy solutions can significantly improve the quality of life and economic conditions in rural households and communities.

FOCUS AREAS

- 1) Sharing best practices and institutional and other approaches
- 2) Finance
- 3) Technology innovation, standards, testing, and certification
- 4) Skill development and information sharing

ACTIVITIES

At the March 2014 meeting of the New Technology and Renewable Energy (NTRE) Working Group of the U.S.-India Energy Dialogue, the Governments finalized an initial Plan of Activities for the coming year. These activities include:

- **PACEsetter fund:** Both Governments announced their intent to create a new "PACEsetter fund" to support the development of early-stage, innovative clean energy solutions for un-served and underserved populations in India. Both India and the United States have each committed to contribute approximately 25 crore rupees (\$4 million) to establish this Fund that will provide grant funding to develop and test innovative products, systems and business models.
- **Off-Grid Alliance:** The Governments intend to establish an alliance of businesses, not-for-profit organizations, and government to strengthen India's off-grid ecosystem, bring existing efforts to scale, and attract new businesses and commercial enterprises. This Off-Grid Alliance will deliver services in five areas: (a) access to finance, including by linking entrepreneurs to financial institutions and aggregating projects to reduce investment risks; (b) skills and training; (c) testing and certification of technology; (d) policy dialogue and advocacy; and (e) networking and exchange of lessons learned.
- **Quality Assurance Framework:** The Governments will work with stakeholders to develop a quality assurance framework, including control standards and performance benchmarks, that can serve consumers better in terms of safety, reliability, performance and cost comparison, and facilitate the delivery of high quality products to the market.
- **Smart Micro-grid Study:** The Governments intend to cooperate on a study to recommend the design of a smart micro-grid pilot to test and validate a business model for scaling up smart micro-grids commercially.
- **Stakeholder Workshops:** The Governments have agreed to convene two workshops in June of this year to advance the **Off-Grid Alliance** and the **Quality Assurance Framework** activities.

COORDINATION AND FOLLOW-UP

During the Energy Dialogue, the governments also announced their intent to create a **joint implementation committee** that will convene on a regular basis to monitor and advance progress. MNRE has requested the National Institute for Solar Energy to support the Ministry of New and Renewable Energy by facilitating coordination and follow-up. The implementation of PEACE will be under the New Technology and Renewable Energy (NTRE) Working Group of the U.S.-India Energy Dialogue.